

Report To:	Local Plan Development Committee
Date:	3RD JULY 2023
Heading:	LEVELLING UP AND REGENERATION BILL – PLANNING POLICY
Executive Lead Member:	NOT APPPLICABLE
Ward/s:	ALL WARDS
Key Decision:	No
Subject to Call-In:	No

Purpose of Report

To provide a summary of the planning policy aspects of the Levelling Up and Regeneration Bill and the actions undertaken by the Council in relation to associated consultations.

Recommendation(s)

To note the content of the Report.

Reasons for Recommendation(s)

For information as there are a number of implications from the Bill in relation to how future local plans will come forward and how infrastructure will be funded through development.

Alternative Options Considered

None as the report is for information only.

Detailed Information

The Levelling Up and Regeneration Bill (the Bill) proposed a number of significant changes in relation to planning, which are summarised under the headings below. The Bill was introduced to the House of Commons on 11 May 2022 and is currently at Report Stage in the House of Lords.

Planning Policy

The Bill has a number of implications for planning policy going into the future. These include the following:

- All local authorities must submit their Plans for examination by 30th June 2025 under the current system. Thereafter, the new planning system will apply.
- Under the proposed reformed planning system, there will be a requirement on local authorities to start work on a new Local Plan at the latest 5 years after the adoption of their previous Plan, and to adopt that new Plan within 30 months.
- Local Planning Authority would be required to prepare one Local Plan, with the content limited to locally specific matters such as allocating land for development, detailing required infrastructure and setting out principles of good design.
- National development management policies would be introduced. In the event of conflict between the development plan and a suite of new national development management policies, the latter will have primacy.
- Supplementary Plans would replace supplementary planning documents (SPD). This will have resource implications as Supplementary Plans would need to be examined before being adopted.
- The Duty to Cooperate would be repealed and replaced with a more 'high-level' approach.
- An emphasis is placed on design code. It includes a provision that would require every local planning authority to produce a design code for its area. It is intended that the area-wide codes will act as a framework, for which subsequent detailed design codes can come forward, prepared for specific areas or sites and led either by the local planning authority, neighbourhood planning groups or by developers as part of planning applications.
- The Bill would result in amendments to the NPPF which remove the current requirement for a rolling five-year supply of housing land, where the local plan is up to date (i.e. for the first five years of the plan).
- The Bill seeks to introduce Neighbourhood Priorities Statements, which can provide communities with a simpler way to set out the community's key priorities and preferences for their local areas. These would need to be considered, where relevant, when preparing a Local Plan.
- Sustainability Appraisal and Strategic Environmental Assessments, which inform the contents of the emerging local plan will be replaced by an 'environmental outcome report'. A consultation will be published on the proposals for the new system.
- There is an emphasis placed on digitally transforming planning services to increase the use of high-quality data and digital services in the planning process.

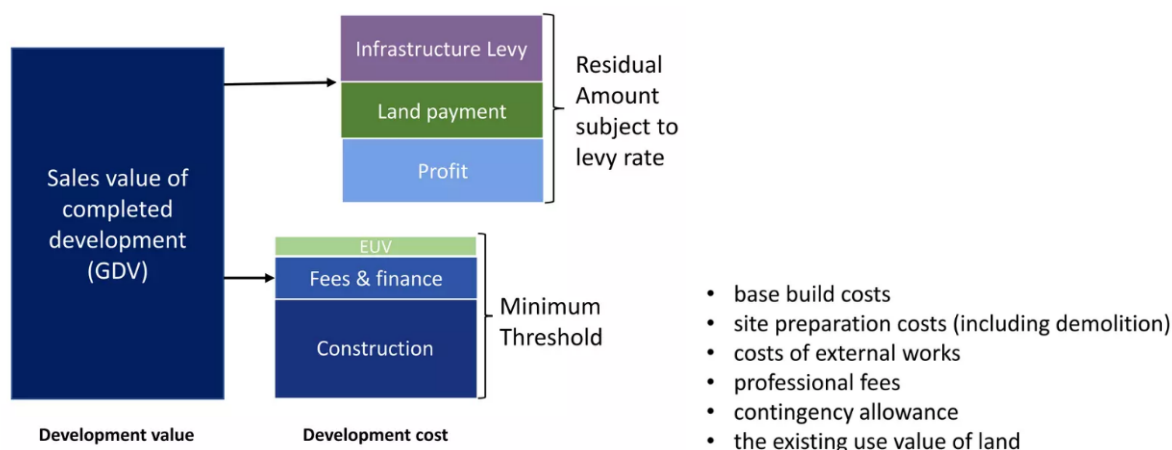
As part of the proposals set out in the Levelling Up and Regeneration Bill, the Government consulted on reform to national planning policy as well as seeking views on the proposed approach to preparing National Development Management Policies, and on how they might develop policy to support levelling up. Responses were required by 2nd March 2023. The Council responded to the Consultation raising a number of concerns regarding the proposed changes.

The supporting information to the Consultation advised that it was intended to introduce changes to the NPPF in the Spring 2023. However, to date, there is no indication of when the revised NPPF will be issued.

Infrastructure Funding

The Bill introduces a new national infrastructure levy which will replace the Community Infrastructure Levy and much of the section 106 (s106) planning contributions system.

The Levy would be locally-set, based on a mandatory charge levied on the final gross development value of completed development. The Levy will need to be evidenced, based on viability and it will be subject to an examination in public prior to adoption. Councils will be required to prepare Infrastructure Delivery Strategies, which set out a strategy for delivering local infrastructure and spending Levy proceeds.



Levy and Viability - The Levy would apply above a minimum threshold.

Of significant concern is that the Levy will be charged on the value of the property at completion. This can be anticipated to improve developer cashflow. Potentially, this could improve viability of development and a greater contribute towards infrastructure. However, this may also mean that key infrastructure is not provided ahead of the development being occupied. In this context, the Government is proposing that local authorities borrow against future Levy receipts to forward fund infrastructure. This places greater risk together with interest charges onto the Council, as paragraph 4.14 of the Consultation makes clear that, as proposed, it will be local authorities that must service the interest costs from borrowing.

The Government has identified that it intends to introduce the Levy over a gradual period through a 'test and learn' approach.

A Technical consultation on the Infrastructure Levy required a response by the 9th June 2023. After consideration by the Strategic Leadership Team and consultation with the Executive Lead, a response to the Consultation was submitted by the Council. In summary, the responses to the forty-five questions raised significant concerns about the Levy proposals. This reflects both the financial implications for councils and how the Levy is proposed to be implemented. In particular, the proposal that councils borrow against future receipts from development and the realism of when strategic spending plans set out in Infrastructure Delivery Strategies could be realistically achieved. The responses placed an emphasis on a local approach to a number of the aspects raised in the form of the Levy taken forward.

Implications

Corporate Plan: Planning, and the Local Plan has a cross cutting role to play in helping to meet and deliver the six priorities identified in the Corporate Plan. In particular, the Local Plan has a key responsibility in delivering the outcomes around the supply of appropriate and affordable homes, improving town centres, facilitating economic growth especially around transport hubs, improving parks and green spaces.

Legal: There are no direct legal implications arising from this Report. The Levelling Up and Regeneration Bill, is currently being considered by Parliament. The Consultations undertaken proposes short term changes to the National Planning Policy Framework as well as considerations of the future implications of the Bill and how it may take effect through regulations. [RLD 15/06/2023]

Finance: There are no direct financial implications arising as a result of this report. [CWH 15/06/23].

Budget Area	Implication
General Fund – Revenue Budget	None
General Fund – Capital Programme	None
Housing Revenue Account – Revenue Budget	None
Housing Revenue Account – Capital Programme	None

Risk:

Risk	Mitigation
No risks in relation to the report have been identified.	-

Human Resources: There are no direct HR implications contained within this report.

Environmental/Sustainability: Sustainability is at the heart of the planning system and the Plan has been prepared with the aim of delivering sustainable development in the District in accordance with the requirements of paragraphs 7 and 8 of the National Planning Policy Framework

(NPPF), 2021. The Plan has been prepared in accordance with the Planning & Compulsory Purchase Act 2004, as amended, which requires the Council to conduct an appraisal of the sustainability of the proposals in Local Plan and prepare a report of the findings of the appraisal.

Equalities: An Equality Impact Assessment will be undertaken as part of the consideration of the Local Plan Publication.

Other Implications: None

Reason(s) for Urgency: Not applicable

Reason(s) for Exemption: Not applicable

Background Papers

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Report Author and Contact Officer

Neil Oxby
Forward Planning
neil.oxby@ashfield.gov.uk
01623 457381

Sponsoring Director

Jas Hundal
INTERIM EXECUTIVE DIRECTOR - PLACE
jas.hundal@ashfield.gov.uk